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The "K" Line/SC Line
Space Charter & Sailing Agreement
Original Title Page

THE "K" LINE/ SC LINE

SPACE CHARTER AND SAILING AGREEMENT

FMC AGREEMENT NO. SCA-SLSW-902

Space Charter Agreement and Sailing Agreement

012363

Original Effective Date: 8/17/15

Expiration Date: None



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**BEFORE THE
FEDERAL MARITIME COMMISSION
FMC AGREEMENT NO. 012363**

1. NAME OF THE AGREEMENT

This AGREEMENT shall be referred to as "the *"K" LINE / SC LINE SPACE CHARTER AND SAILING AGREEMENT.*"

2. PURPOSE OF THE AGREEMENT

The purpose of this agreement is to allow SC LINE to charter RoRo space from "K"LINE in the Trade (as defined in Article 4)

3. PARTIES TO THE AGREEMENT

The Agreement is made by and between the following parties (hereinafter sometimes referred to individually as "Party" and collectively herein as "the Parties."

(1) KAWASAKI KISEN KAISHA, LTD. ("K" Line")

Iino Building, 1-1, Uchisaiwaicho 2-Chome, Chiyoda-ku, Tokyo 100-8540, Japan

(3) SC Line, S.A. ("SC Line")

Paseo Roberto Mota & Boulevard Costa del Este, Office 601, Panama City, Panama

4. GEOGRAPHIC SCOPE OF THE AGREEMENT

The geographic scope of this Agreement is the trade between the following U.S. and foreign ports: (a) ports of Jacksonville, Fl. in the U.S. Atlantic Coast and Mexico, Panama, Colombia, Brazil, Argentina ; (b) port of Galveston, TX and Mexico; (c) ports of Eastern Spain (Barcelona), Northern Europe (Belgium, Spain/United Kingdom) and ports of Jacksonville, Fl and Veracruz, Mexico, subject to the limitations on joint activities set forth in Article 5. The foregoing geographic scope is hereinafter referred to as the "Trade".

The inclusion of non-U.S. Trades in this Agreement shall not bring such non-U.S. trades under the jurisdiction of the U.S. Federal Maritime Commission or entitle the Parties hereto to immunity from the U.S. Antitrust laws with respect to such non-U.S. trades

5. AGREEMENT AUTHORITY

5.1 SC Line is authorized to charter from "K" Line RoRo space in the Trade on a space available basis on each monthly voyage or as scheduled by "K" Line, sailing between the geographical scope noted above, and to

5.2 SC Line is authorized to make use of the same marine terminals and stevedores at the ports mentioned above where "K" Line provides service within the said geographic scope if this Agreement; provided that nothing herein shall authorize the Parties to jointly operate a marine terminal facility in the United States. The slot rates are subject to terminal and stevedoring costs as disclosed by "K" Line from time to time. The applicable local charges in Argentina, Brazil and Colombia are already included in the slot rates. SC Line is responsible for pick-up, delivery, and dispatch of this cargo to/from "K" Line's terminals at port of loading pursuant to article 4.

5.3 The Parties are authorized to discuss and agree upon routine operational and administrative matters, including, but not limited to, procedures for allocating space, the handling of breakbulk, out-of-gauge and dangerous/hazardous cargoes; forecasting; stevedoring and terminal operations; record keeping; responsibility for loss, damage or injury (including provisions of bills of lading related to the same), the interchange of information and data regarding all matters within the scope of this Agreement; terms and conditions for force majeure relief, insurance guarantees, indemnification, the resolution of claims, and compliance with customs, safety, security, documentation, and other regulatory requirements.

5.4 The Parties are authorized to make such other provisions as are necessary or desirable for the effective operation of this Agreement; provided that no such provision requiring filing under Section 5 of the U.S. Shipping Act of 1984 shall become effective thereunder.

5.5 Nothing herein or in any charter of space pursuant hereto shall be construed as demise or partial demise of any vessel. At all times during any voyage on which cargo, containers or other equipment are carried pursuant to the terms of this Agreement, the Master, his delegates, the officers and crew shall be and remain the employees and or agents of the carrier chartering out the space and not the employees of agent of the carrier chartering in the space.

6. OFFICIALS AND DELEGATIONS OF AUTHORITY

The following person shall have authority to sign and file this Agreement or any modification to this Agreement, and to respond to any requests for information from the U.S. Federal Maritime Commission and to delegate such authority to other persons.

- (a) The Chief Executive, or a Vice President for a Party, or
- (b) Legal counsel for a Party, or

7. MEMBERSHIP AND WITHDRAWAL

Either party may withdraw from the Agreement by giving thirty (30) calendar days prior written notice to the other party.

8. VOTING

All exercise of authority under the Agreement shall be by the unanimous consent of the Parties.

9. DURATION AND TERMINATION

9.1 Unless otherwise agreed by the Parties, this Agreement shall be effective upon the date this Agreement becomes effective under the Shipping Act of 1984, as amended, but this Agreement and all modifications hereto shall be subject to all required approvals by government authorities, including the U.S. Federal Maritime Commission. No cooperative working arrangement shall be carried out among the Parties hereto in regard to the Trade except as authorized herein. Failure of a Party to this Agreement to obtain approval of any authority, for any reason, shall not provide the basis for any recourse, liability or damages whatsoever.

9.2 Subject to Article 9.1 above, operations under this Agreement shall remain in force unless terminated by unanimous agreement of the Parties.

9.3 Either Party may withdraw from this Agreement at any time by giving thirty (30) days prior written notice to the other Party of its intention to do so.

9.4 Notwithstanding the above provisions, this agreement may be terminated at any time by mutual consent of the parties.

9.5 Notwithstanding any other provision of this Agreement, in the event it is terminated or a Party withdraws it shall remain in force until each Vessel operated pursuant to this Agreement shall have completed discharging at the last port on the last leg of her final complete voyage which commenced prior to the effectiveness of such termination or withdrawal, and all accounts among the Parties under this Agreement are settled.

10. ARBITRATION AND GOVERNING LAW

The substantive law of the State of New York shall govern this Contract. Any dispute shall be settled exclusively by arbitration at New York under the Rules of the Society of Maritime Arbitrators. Upon giving notice of a claim under SMA rules, the claimant shall nominate an arbitrator from the SMA roster to act as the sole

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within 10 days of this initial nomination, the arbitrator so nominated shall become the sole arbitrator. The arbitrator shall promptly submit his/her disclosure statement to the parties, as required under Section 9 of the standard SMA Rules. If the respondent does not agree to the nominated arbitrator as sole arbitrator, the respondent shall propose three other persons from the SMA roster to serve as sole arbitrator. Failing agreement on a sole arbitrator, either party may request that the President of the SMA appoint the sole arbitrator. This appointment shall be binding upon the parties, and the arbitration shall proceed under SMA Rules. The arbitrator's award may be confirmed in any court of competent jurisdiction and shall be enforceable under the United Nations Convention on the Recognition and Enforcement of Arbitral Awards of June 10, 1958. The award to be rendered shall be final and binding upon both parties hereto. The prevailing party shall be awarded its attorney's fees, costs and interest from the date of claim.

11. NOTICES

All notices and other communications pertaining to the Agreement, except as the Parties may otherwise provide, shall be sent by airmail, postage prepaid and addressed as follows:

KAWASAKI KISEN KAISHA, LTC.
C/O "K" LINE AMERICA, INC.
8730 Stony Point Parkway, Suite 400
Richmond, VA 23235

SC LINE
8669 NW 36 Street Suite 335
Miami, FL 33166

12. CONFIDENTIALITY

12.1 Except to the extent required by law or at the request of a Government agency, the parties shall keep confidential all information to which it has access in the performance of this Agreement, including the rates and terms of this Agreement.

12.2 The Parties shall reasonably protect such information and at a minimum provide the same safeguards afforded its own confidential information.

12.3 Parties must assure at all times the information issued during the process of shipments are confidential. Carrier's agents, employees, office personnel shall provide to such information high priority to its safeguard, and no misuse of this information shall be allowed neither use nor share by the Parties agents or employees.

IN WITNESS WHEREOF, the Parties have caused this amendment to the Agreement to be executed by their respective duly authorized representatives or attorneys in fact as witnessed below:

SC LINE S.A.

By: _____



Name:

IGNACIO SOLÁ M.

Title: VICE PRESIDENT

KAWASAKI KISEN KAISHA, LTD

By: _____

Name:

RYO OTA

Title:

VICE PRESIDENT, CAR CARRIER

Date: August _____, 2015